

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
)	
W.R. GRACE & CO., <u>et al.</u>	)	Case No. 01-1139 (JKF)
	)	Jointly Administered
)	
Debtor.	)	Objection Date: November 24, 2004 at 4:00 p.m.
	)	Hearing: Scheduled if Necessary (Negative Notice)

**NOTICE OF FILING OF
THIRD MONTHLY INTERIM APPLICATION OF
SWIDLER BERLIN SHEREFF FRIEDMAN, LLP, COUNSEL TO
DAVID T. AUSTERN, FUTURE CLAIMANTS' REPRESENTATIVE**

TO: (1) The Debtors; (2) Counsel to the Debtors; (3) The Office of the United States Trustee; (4) Counsel to the Official Committee of Asbestos personal Injury Claimant; (5) Counsel to the Official Committee of Asbestos Property Damage Claimants; (6) Counsel to the Official Committee of Equity Holders; and (7) Counsel to the Debtors-in-Possession Lender; and (8) the Fee Auditor

Swidler Berlin Shereff Friedman, LLP, counsel to David T. Austern, in his capacity as the Court-appointed legal representative for future asbestos claimant (the "FCR"), has filed and served its Third Monthly Application of Swidler Berlin Shereff Friedman, LLP for Compensation for Services Rendered and Reimbursement of Expenses as counsel to the FCR for the time period July 1, 2004 through July 31, 2004 seeking payment of fees in the amount of \$38,486.00 (80% of \$48,107.50) and reimbursement of expenses in the amount of \$4,143.66 (the "Application") for a total of \$42,629.66.

This Application is submitted pursuant to this Court's Administrative Order, as Amended, Under 11 U.S.C. Sections 105(a) and 331 Establishing Revised Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members dated April 17, 2002 (the "Administrative Order").

Objections or responses to the Application, if any, must be made in writing and filed with the United States Bankruptcy Court for the District of Delaware, Marine Midland Plaza, 824 Market Street, Fifth Floor, Wilmington, DE 19801, on or before **November 24, 2004 at 4:00 p.m., Eastern Time.**

At the same time you must also serve a copy of the objections or responses, if any, upon the following: (i) co-counsel to David T. Austern, FCR, Roger Frankel, Esquire, Richard H. Wyron, Esquire, Swidler Berlin Shreff Friedman, LLP, 3000 K Street, NW, Suite 300, Washington, DC 20007; (ii) co-counsel for the Debtors, David M. Bernick, Esquire, Kirkland & Ellis LLP, 200 East Randolph Drive, Chicago, IL 60601 and Laura Davis Jones, Esquire, Pachulski, Stang, Ziehl, Young & Jones, P.C., 919 North Market Street, Suite 1600, P.O. Box 8705, Wilmington, DE 19899-8705; (iii) co-counsel to the Official Committee of Unsecured Creditors, Lewis Kruger, Esquire, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, NY 10038-4982 and Michael R. Lastowski, Esquire, Duane Morris, LLP, 1100 N. Market Street, Suite 1200, Wilmington, DE 19801-1246; (iv) co-counsel to the Official Committee of Asbestos Property Damage Claimants, Scott L. Baena, Esquire, Blizin, Sumberg, Dunn, Baena, Price & Axelrod, First Union Financial Center, 200 South Biscayne Boulevard, Suite 2500, Miami, FL 33131 and Michael B. Joseph, Esquire, Ferry & Joseph, P.A., 824 Market Street, Suite 904, P.O. Box 1351, Wilmington, DE 19899; (v) co-counsel to the Official Committee of Asbestos Personal Injury Claimants, Elihu Inselbuch, Esquire, Caplin & Drysdale, 399 Park Avenue, 36th Floor, New York, NY 10022 and Mark Hurford, Esquire, Campbell & Levine, LLC, Chase Manhattan Centre, 15th Floor, 1201 Market Street, Suite 1500, Wilmington, DE 19801; (vi) co-counsel to the DIP Lender, J. Douglas Bacon, Esquire, Latham & Watkins,

Sears Tower, Suite 5800, Chicago, IL 60606 and Steven M. Yoder, Esquire, The Bayard Firm, 222 Delaware Avenue, Suite 900, P.O. Box 25130, Wilmington, DE 19899; (vii) counsel to the Official Committee of Equity Holders, Thomas Moers Mayer, Esquire, Kramer Levin Naftalis & Frankel LLP, 919 Third Avenue, New York, NY 10022; (viii) the Office of the United States Trustee, ATTN: Frank J. Perch, Esquire, 844 N. King Street, Wilmington, DE 19801; and (ix) the Fee Auditor, Warren H. Smith, Warren H. Smith and Associates Republic Center, 325 N. St. Paul, Suite 4080, Dallas, TX 75201.

Any questions regarding this Notice or attachments may be directed to undersigned counsel.

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

By: _____

Roger Frankel, *admitted pro hac vice*
Richard H. Wyron, *admitted pro hac vice*
3000 K Street, NW, Suite 300
Washington, DC 20007
(202) 424-7500
Counsel to David T. Austern,
As Future Claimants' Representative

Dated: November 4, 2004

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
W.R. GRACE & CO., <u>et al.</u>	)	Case No. 01-1139 (JKF)
	)	Jointly Administered
)	
Debtor.	)	Objection Date: November 24, 2004 at 4:00 p.m.
	)	Hearing: Scheduled if Necessary (Negative Notice)

**COVER SHEET TO THIRD MONTHLY INTERIM APPLICATION OF
SWIDLER BERLIN SHEREFF FRIEDMAN, LLP, BANKRUPTCY COUNSEL
TO DAVID T. AUSTERN, FUTURE CLAIMANTS' REPRESENTATIVE FOR
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
JULY 1, 2004 THROUGH JULY 31, 2004**

Name of Applicant: Swidler Berlin Shereff Friedman, LLP ("SBSF")

Authorized to Provide Professional Services to: David T. Austern, Future Claimants' Representative (the "FCR")

Date of Retention: SBSF Retention Order entered September 27, 2004

Period for which compensation is sought: July 1, 2004 through July 31, 2004

Amount of Compensation (100%) sought as actual, reasonable, and necessary: \$48,107.50

80% of fees to be paid: \$38,486.00¹

Amount of Expense Reimbursement sought as actual, reasonable and necessary: \$ 4,143.66

Total Fees @ 80% and Expenses: \$42,629.66

This is an: interim monthly final application.

¹ Pursuant to the Administrative Order, as Amended dated April 17, 2002, absent timely objections, the Debtor is authorized and directed to pay 80% of fees and 100% expenses.

The total time expended for fee application preparation during this time period is 3.40 hours and the corresponding fees are \$729.00 and expenses are \$0.00. The time spent for this matter will be requested in subsequent monthly interim applications.

This is SBSF's third interim fee application for the period July 1-31, 2004. SBSF's second interim fee application for the period June 1-30, 2004 was filed on September 29, 2004 in the amount of \$88,393.20 (80% of \$110,491.50) in fees and expenses of \$15,846.02 for a total of \$104,239.2. SBSF's first interim fee application for the period May 1-31, 2004, was filed on September 29, 2004 in the amount of \$8,151.60 (80% of \$10,189.50) in fees and expenses of \$8,151.60.

COMPENSATION SUMMARY

JULY 2004

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate (including changes)</u>	<u>Total Billed Hours</u>	<u>Total Compensation</u>
Richard D. Belford	Partner, 26 years in position; 33 years relevant experience; 1971, Tax	\$560.00	2.60	\$1,456.00
Roger Frankel	Partner, 21 years in position; 33 years relevant experience; 1971, Bankruptcy	\$605.00	34.20	\$20,691.00
Mark J. Plumer	Partner, 10 years in position; 17 years relevant experience; 1987, Insurance Litigation	\$520.00	3.20	\$1,664.00
Mary A. Wallace	Partner, 3 years in position; 15 years relevant experience; 1989, Corporate	\$420.00	5.90	\$2,478.00
Richard H. Wyron	Partner, 15 years in position; 25 years relevant experience; 1979, Bankruptcy	\$510.00	25.30	\$12,903.00
Matthew W. Cheney	Associate, 7 years in position; 7 years relevant experience; 1997, Bankruptcy	\$310.00	5.90	\$1,829.00
Debra L. Felder	Associate, 2 years in position; 2 years relevant experience; 2002, Bankruptcy	\$205.00	19.80	\$4,059.00
Scott J. Levitt	Associate, 9 years in position; 9 years relevant experience; 1995, Insurance Litigation	\$355.00	7.00	\$2,485.00

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate (including changes)</u>	<u>Total Billed Hours</u>	<u>Total Compensation</u>
Debra O. Fullem	Senior Legal Assistant	\$175.00	3.10	\$542.50
Total			107.00	\$48,107.50

Total Fees: **\$48,107.50**
Total Hours: **107.00**
Blended Rate: **\$ 449.60**

COMPENSATION BY PROJECT CATEGORY

JULY 2004

<u>Project Category</u>	<u>Total Hours</u>	<u>Total Fees</u>
Case Administration	9.20	\$2,893.50
Due Diligence	34.20	\$18,867.50
Retention of Professionals-Swidler	12.50	\$3,394.50
Retention of Professionals-Other	8.70	\$4,811.00
Insurance	22.30	\$10,216.50
Litigation	8.50	\$3,034.50
Compensation of Professionals-Swidler	3.40	\$729.00
FCR Retention Appeals	8.20	\$4,161.00
TOTAL	107.00	\$48,107.50

EXPENSE SUMMARY

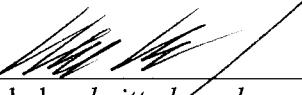
JULY 2004

<u>Expense Category</u>	<u>Total</u>
Photocopies	\$3,086.75
Telephone	\$55.32
Postage	\$433.68
Legal Research	\$138.87
Pacer	\$175.10
Travel/Meal Charges	\$220.19
Secretarial Services	\$33.75
TOTAL	\$4,143.66

Respectfully submitted,

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

By: _____


Roger Frankel, *admitted pro hac vice*
Richard H. Wyron, *admitted pro hac vice*
3000 K Street, NW, Suite 300
Washington, DC 20007
(202) 424-7500
Counsel to David T. Austern,
As Future Claimants' Representative

Dated: November 4, 2004

VERIFICATION

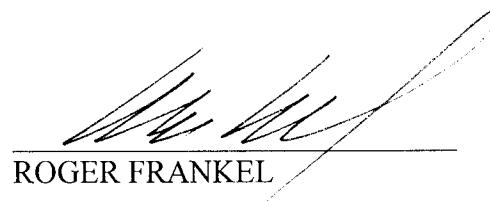
DISTRICT OF COLUMBIA, TO WIT:

Roger Frankel, after being duly sworn according to law, deposes and says:

1. I am a partner of the applicant law firm Swidler Berlin Shereff Friedman, LLP (“SBSF”) and have been admitted *pro hac vice* to appear in this matter.

2. I have personally performed many of the legal services rendered by SBSF as counsel to David T. Austern as Future Claimants’ Representative (“FCR”) and am familiar with the other work performed on behalf of the FCR by the lawyers, legal assistants, and other professionals of SBSF as set forth in the attached invoices.

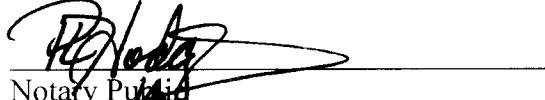
3. I have reviewed the Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. I have reviewed the requirements of Local Rule 2016-2 and the Administrative Order as Amended dated April 17, 2002, and I believe the Application to be in compliance therewith.



ROGER FRANKEL

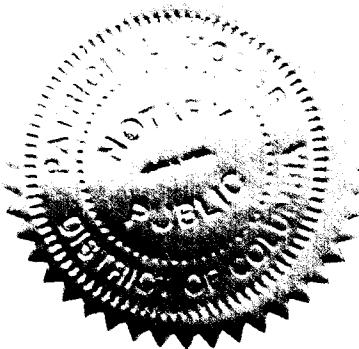
SWORN AND SUBSCRIBED TO BEFORE ME

THIS 4th DAY OF NOVEMBER, 2004



Notary Public

My Commission Expires April 14, 2007
My commission expires: _____



CERTIFICATE OF SERVICE

I, DEBRA O. FULLEM, do hereby certify that I am over the age of 18, and that on November 4, 2004, I caused the *Notice, Cover Sheet to Third Monthly Interim Application of Swidler Berlin Shreff Friedman, LLP, Bankruptcy Counsel to David T. Austern, Future Claimants' Representative for Compensation for Services Rendered and Reimbursement of Expenses for the time period July 1, 2004 through July 31, 2004, Verification and Exhibit A*, to be served upon those persons as shown on the attached Service List in the manner set forth therein.

Under penalty of perjury, I certify the foregoing to be true and correct.

Debra O. Fullem
Debra O. Fullem, Senior Legal Assistant
Swidler Berlin Shreff Friedman, LLP

SERVICE LIST

Federal Express

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David W. Carickhoff, Jr., Esquire
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Philip Bentley, Esquire

Kramer Levin Naftalis & Frankel LLP